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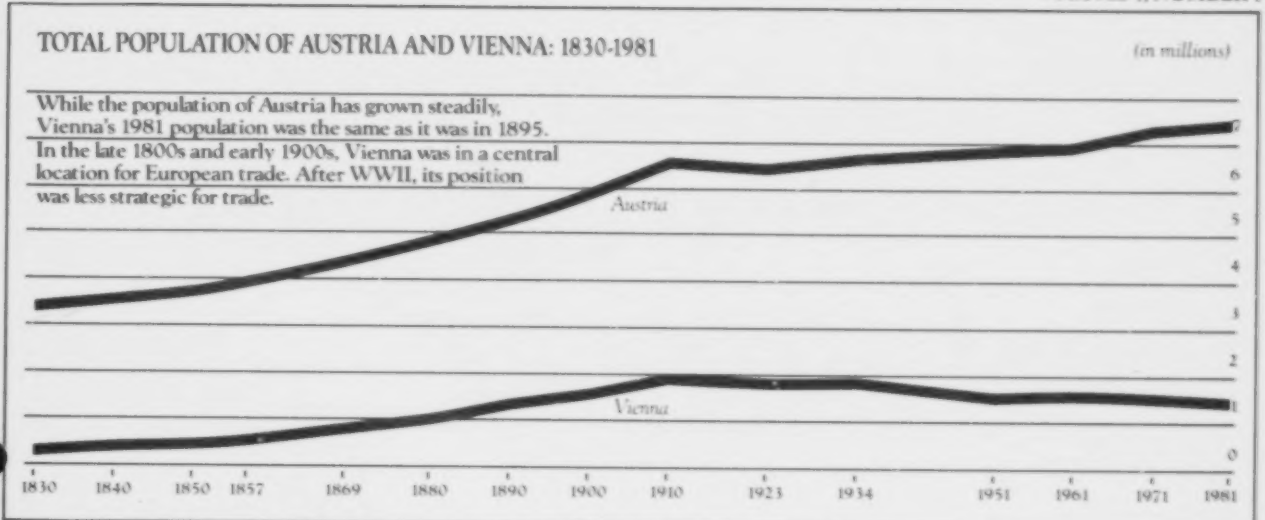
INTERNATIONAL DEMOGRAPHICS

CONSUMER ■ TRENDS ■ AND ■ MARKETS ■ ABROAD

JULY 1985 VOLUME 4, NUMBER 7



COUNTRY PROFILE

REPUBLIC OF AUSTRIA

Austria, located in the heart of Central Europe, is home to the famous Austrian Alps, winter ski resorts, and a history rich in folklore and custom. Although landlocked, it is a land of water with 90 large lakes, myriad smaller ones, and an extensive river system that includes the Danube immortalized by a Strauss waltz. The country is one of the smallest in Europe, covering only 32,375 square miles, approximately the area of Maine. Its population, however, is about 6.5 times that of Maine.

Once the backbone of the Hapsburg empire, Austria was abandoned by its hereditary monarch after World War I and the nation's first republic and constitution was born. Political unrest gave rise to an authoritarian regime in 1934 and the country was annexed by Hitler in 1938. At the end of World War II, the four Allied powers resurrected the Austrian constitution, as amended in 1929, to serve as the foundation for the Second Republic.

REGIONS AND CITIES

Austria is divided into nine provinces or states: Burgenland, Kärnten (Carinthia), Niederösterreich (Lower Austria), Oberösterreich (Upper Austria), Salzburg, Steiermark (Styria), Tirol (Tyrol), Vorarlberg, and Wien (Vienna) which is the federal capital as well as a province.

The size of Austria limits the number of large metropolitan areas. Vienna, the largest city, contains more than one-fifth of the country's population. Other large cities include Graz, Linz, Salzburg, and Innsbruck.

Austria's population declined immediately following World War II, primarily because of massive emigration. But between 1950 and 1980 there was steady growth. The population in 1950 was 6.9 million. By 1970, it had risen to 7.4 million, by 1981 when the census was taken, it had reached 7.6 million. There has been a slight decline to

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THIS MONTH: AUSTRIA

a 1985 estimated population of 7,487,000. Austria's population is projected to stabilize at 7.4 million through the rest of the decade.

Since World War II, Austria's population has shifted from its rural eastern areas to the more developed industrial regions of the west. The largest growth was registered in the provinces of Vorarlberg, Tyrol, and Salzburg. Between 1961 and 1981, Vorarlberg grew by 35.4 percent, Tyrol by 26.6 percent, and Salzburg by 27.4 percent. The only province to show a sustained decline in population is Vienna. Over the same period, the capital lost 6.9 percent of its residents.

In fact, migration out of Vienna predates World War II. In 1923, the capital had 1.9 million people, a population 27 percent greater than the 1981 census figure. The annihilation of the city's Jewish community, estimated at half a million in 1938, contributed to Vienna's population decline.

Concurrent with the east-west migration is an increase in urban residents, although Austria is still not as urbanized as most of its European neighbors, partly because the winter resort industry provides jobs in rural areas. The urban population, estimated at 56 percent in 1985, is expected to continue to grow slightly to about 63 percent by the end of the decade. While this means that not even half the 7.4 million Austrians can be reached by marketing in the largest cities, the country is so small and distribution systems reliable enough that rural areas can be reached relatively easily.

ETHNICITY AND RELIGION

The invaders, traders, and settlers that came in contact with the area throughout its history left a legacy enjoyed by today's Austrians. Ninety-eight percent of the residents consider themselves Austrian and claim no other ethnic origin. The remaining 2 percent are Magyars (Hungarians), Croats, Slovenes, Czechs, and a small number of Italians. Each group retains its ethnic culture and language.

The official language of Austria is German and 99 percent of the population speaks it fluently. The German spoken in the border regions, however, often reflects the country bordered, taking on a distinct Italian, Swiss-German, or Bavarian lilt. Overall, Austrian German is a softer, more musical sound than the German spoken to the north.

Austrians are religious. Ninety percent of the population is Roman Catholic. Six percent are Protestant—Lutheran and Reformed. Few people claim no religion. Roadside crosses or small religious scenes are common along rural thoroughfares; crucifixes may be found in most village inns and homes. Freedom of religion is guaranteed by the Austrian constitution although subsequent decrees specify that all religions must be compatible with public safety and morality. Religious groups must register with the government in order to be recognized under Austrian law.

Religious and racial problems are all but nonexistent in Austria, partly because since the war it has been a homogeneous society. A recently published survey by a Viennese sociologist, however, suggests that at least half of the citizens of Austria continue to harbor anti-Semitic beliefs.

AGE DISTRIBUTION

Austrians are living longer than ever before. The life expectancy of a child born in 1900 was only 39 years for boys and 41 years for girls. In 1985, life expectancy was 69 for men and 76 for women. These figures are comparable to life expectancy data recorded for similarly industrialized countries.

Birthrates leveled off during the early 1980s. But an increase of 1,000 to 2,000 births annually is expected in the next decade—raising the total to about 91,000 births a year between now and 1995. By the end of the century, there will be a slight decline.

The upturn in births will mean a larger market for children's apparel, toys, games, and books. Because so many of these births will be first children, the Austrians, who are extremely fond of children, will undoubtedly spend freely on them.

According to 1985 estimates, 18 percent of the population is under age 15, about 67 percent is between the ages of 15 and 64, and 14 percent is aged 65 and older. By the end of the century, the proportion of Austrians who are of working age will have declined slightly, and the older population will have increased to 15 percent of the total population. The median age will rise from 35.5 this year to 38.6 by the end of the century.

INTERNATIONAL DEMOGRAPHICS

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HOUSEHOLDS AND FAMILIES

Austrians place a high value on home and family life. Nevertheless, the divorce rate climbed from 11,168 divorces in 1976 to a peak of 14,298 divorces in 1982.

Concurrent with the rising divorce rate is a steady increase in the total number of marriages performed. First marriages rose from 4.5 per 1,000 in 1978 to 4.8 per 1,000 in 1982. Remarriages for divorced or widowed persons fluctuated, but were about 1.4 per 1,000 over the same period.

Men and women are marrying later, in a pattern similar to that in other Western European countries. In 1978, the median ages of the bride and groom were 22.4 and 25.6 years, respectively. By 1982, the median age rose to 23 for women and 25.8 for men.

The combination of an aging population, a disparity between the life expectancy of men and women, and the high divorce rate contributes to an increase in single-person households and to growth in the number of households.

Average household size is estimated to be 2.6 people this year. That average is expected to decline to 2.3 people by the end of the century. The number of households, on the other hand, is expected to increase from 2,767,000 this year to about 3,233,000 in 2000. There will be 3 million households by 1990.

HOUSING

The types of housing common in Austria are partially dependent on climate and often dependent on heritage. Picturesque chalet-style homes, complete with geranium boxes and steeply-pitched roofs, are common in the province of Tyrol. In Carinthia, roofs are flat or gently sloped, and stone is often used. Homes in Burgenland, on the other hand, are often built around courtyards and finished with stucco on the exterior.

Most city residents are apartment dwellers, particularly in Vienna, which has built publicly-owned housing since the 1920s. Although national records indicate that 44 percent of all Austrian housing is one- and two-family homes, only 7 percent of Viennese housing fits into this category.

In the 1950s, apartment buildings constituted most new residential construction. According to national data, 22 percent of apartment dwellings were built in the 1950s; about 16 percent of all apartment dwellings were built in the 1960s. Austria has adapted well to its smaller household size. Just over a quarter of all apartments have one room, and 34 percent have two rooms. Nationally, two-thirds of Austrian homes are privately owned. In Vienna, the government owns and maintains 20 percent of all dwellings and is responsible for much of the new apartment construction. Unlike the typical American vision of public housing, however, these publicly-owned apartments are well-kept and extremely orderly dwelling places.

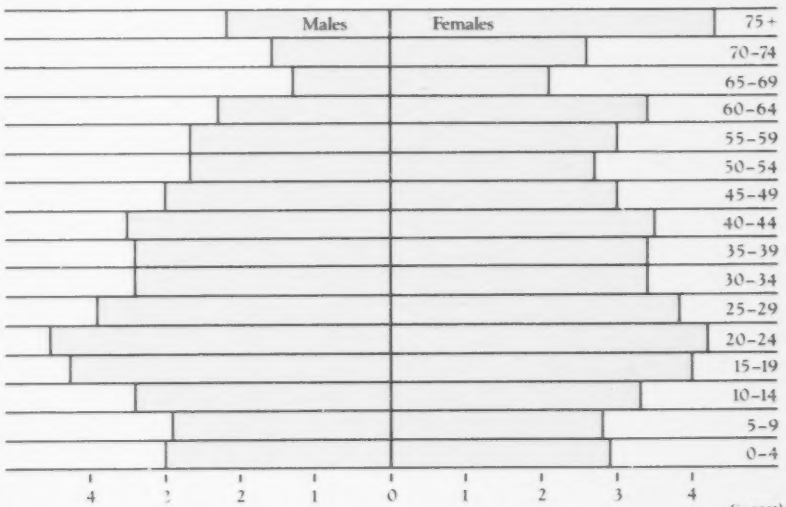
LITERACY AND EDUCATION

Young Austrians value the opportunity for quality education more highly than their West European peers; educational institutions place greater emphasis on academic subjects than sports or other extracurricular activities. Austria's educational system, rated as one of the finest in the world, has produced a literacy rate of virtually 100 percent.

Although mandatory school attendance does not begin until a child reaches the age of 6, parents who desire preschool training for their offspring can send them to kindergarten classes. All children

POPULATION OF AUSTRIA BY AGE AND SEX: 1985

(in percent)



(in 000s)

Age	*total*	*male*	*female*
All ages	7,451.4	3,559.3	3,892.1
0-4	436.9	222.5	214.4
5-9	419.8	213.3	206.5
10-14	497.5	254.0	243.6
15-19	606.0	309.4	296.6
20-24	638.5	325.3	313.2
25-29	568.9	289.1	279.8
30-34	506.5	254.7	251.7
35-39	505.1	255.4	249.7
40-44	517.7	259.8	257.9
45-49	454.0	227.1	226.9
50-54	400.0	198.0	202.0
55-59	423.3	199.1	224.2
60-64	425.3	169.9	255.4
65-69	254.3	98.8	155.5
70-74	316.3	120.5	195.8
75+	481.2	162.3	318.9

AUSTRIAN CITIES WITH POPULATIONS OVER 100,000

Vienna	1,515,666
Graz	243,405
Linz	197,962
Salzburg	138,213
Innsbruck	116,100

Source: Polks World Bank Directory, *International Edition*

are required to attend classes for a minimum of nine years—eight years of elementary school and one year of vocational or polytechnical school (arts and sciences). University preparation may follow one of three courses: four years of elementary school and nine years of high school; or eight years of elementary school, and one year of preparatory school, followed by four years of high school; or eight years of elementary school and five years of vocational school.

Postsecondary education is offered by 12 universities and 6 colleges of art. Continuing education is also available to adults by means of 345 evening educational centers, about 2,400 local adult education organizations, and 25 residential adult education centers.

Women in Austria are attending schools in greater numbers. In 1980, about 41 percent of students enrolled in higher education were women.

LABOR FORCE

Labor unions in Austria have a unique relationship with management and government authorities. The three entities have formed an unofficial coalition commonly referred to as the "Social Partnership," the purpose of which is to resolve and prevent labor conflicts and unrest.

There are 15 national unions in Austria and they represent almost 60 percent of the labor force. All unions are members of the Austrian Trade Federation which has a strong, centralized leadership. The Federation and the individual unions function independent of political party liaisons and government controls. Unions are free to organize workers and negotiate wage agreements. The right to strike is not prohibited by law although the right is seldom exercised.

Austria's labor force is well educated and well trained. It is also growing slightly. In 1981, 41 percent of Austrians, or about 3.1 million people, were economically active. According to the International Labor Organization, nearly 30 percent of Austria's workers are employed in manufacturing, 20 percent work in community, social, and personal services; 17 percent are in wholesale and retail trade and hotel and restaurant services; and 10 percent are in agriculture, hunting, forestry, and fishing. The distribution pattern is similar to that in other Western European countries, except that the percentages in agriculture and trade and hotel services are slightly higher in Austria, reflecting the heavy rural component of the country and the reliance on tourism.

Not surprisingly, given the level of employment in manufacturing and the educational emphasis on vocational training, nearly 40 percent of occupations are production-related. Only about 4 percent are professional, technical, and related workers and 20 percent are administrative and managerial workers including clerical personnel. Nine percent are in sales occupations and 17 percent are service workers. About 10 percent of workers are in agricultural, forestry, fishery, and animal husbandry occupations.

Thirty-one percent of the paid civilian labor force in Austria is female.

The average monthly earnings for a worker in manufacturing in 1984 were 17,652 shillings, or about $850 a month, or $200 a week. The usual work week in Austria is 40 hours. A recent law raised the minimum vacation time to five weeks per year for employees with 25 years or less of service. Employees with more than 25 years must be granted a minimum vacation

POPULATION CHARACTERISTICS OF AUSTRIA BY PROVINCE

	area (sq. miles)	*population 1981*	*percent change 1971–81*	*population density 1981*	*total households 1981*	*percent change 1971–1981*
Burgenland	1,531	269,771	-0.4%	177.7	86,470	10.7%
Carinthia	3,681	536,179	2.0	145.9	170,500	14.4
Lower Austria	7,402	1,427,849	12.0	194.4	508,800	9.3
Upper Austria	4,625	1,269,540	4.0	274.6	432,300	13.7
Salzburg	2,762	442,301	11.0	160.6	154,200	23.3
Styria	6,327	1,186,525	0.3	187.8	394,900	9.4
Tyrol	4,883	586,663	9.0	120.0	189,200	20.3
Vorarlberg	1,004	305,164	11.0	304.7	98,410	24.4
Vienna	161	1,531,346	-5.0	9,445.5	725,900	-1.0
Austria total	32,376	7,555,338	+2	233.39	2,767,000	9.3

Source: Wirtschafts-und-Sozial Statistiches Taschenbuch 1984, *Österreichischer Arbeiterkammertag, Wien 1984.*

OCCUPIED HOUSING IN AUSTRIA BY AMENITIES AND PROVINCE: MARCH 1983

(in 000s).

	dwellings	*with central heating*	*with bath*	*with toilet only*	*only water in the dwelling*
Burgenland	83	49	86	4	12
Carinthia	172	44	87	—	6
Lower Austria	485	50	81	—	12
Upper Austria	424	55	88	—	6
Salzburg	150	63	92	—	—
Styria	386	49	82	—	12
Tyrol	189	50	89	—	4
Vorarlberg	97	68	91	—	—
Vienna	696	38	76	7	15
Austria total	2,682	48	83	3	10

Source: Wirtschafts-und-Sozial Statistiches Taschenbuch 1984, *Österreichischer Arbeiterkammertag, Wien 1984.*

time of 6 weeks. Additionally, employees are paid for 13 statutory public holidays per year.

While unemployment did rise from a previous low of under 4 percent to 5.6 percent in 1984, there were still at least four months last year when it was under 4 percent. Austria's labor force has been less affected by recession than nearly any other country in Europe.

In order to prevent labor shortages during the 1960s and 1970s, the government imported foreign workers from Yugoslavia, West Germany, Italy, Spain, and Turkey. As unemployment rose during the 1980s, Austria slowly withdrew foreign work permits in order to provide more employment opportunities for its own residents. While there were 226,400 foreign workers in 1973, they numbered 140,200 by mid-1984.

THE ECONOMY

Austria has a well-developed, relatively stable industrial economy. The Austrian Institute for Economic Research (WIFO) predicts continued real growth as the nation recovers from the recession.

Austria weathered the economic storm better than her European neighbors, experiencing real economic growth greater than either West Germany or Switzerland. Real Gross Domestic Product (GDP) increased by 1 percent in 1982, 2.1 percent in 1983 and an estimated 2.5 percent in 1984. GDP is forecast to rise by 3 percent in 1985 in real terms. These figures compare favorably with the aggregate average real growth of 2 percent forecast for Europe in 1985. Concurrent with the rise in GDP is a decline in the inflation rate from an estimated 5 percent in 1984 to a forecasted 4 percent in 1985.

The Austrian economy is highly dependent on foreign trade. Exports outstripped imports in 1981 with an increase of 11.3 percent over the previous year. Exports continued to rise by 12.5 percent in 1982, 13.9 percent in 1983, and an estimated 8.5 percent in 1984. Although the rate of export growth is expected to decline to 7 percent in 1985, imports are forecast to increase at a lower rate of 5.5 percent, thereby producing a favorable balance of trade.

The market outlook for Austria is promising. With the assistance of Austria's ICD (Industrial Cooperation and Development Company), the Austrian government has identified the best prospects for foreign investors. In the consumer goods and services area they are: telecommunications and office equipment, software, engineering and research and development services, consumer electronics, security systems and equipment, health care, and optical instruments.

SOURCES

The U.S. government issues several publications of interest to potential investors and marketers. "Marketing in Austria" (OBR 82-08) is available from any Department of Commerce District Office or from the Superintendent of Documents, U. S. Government Printing Office, Washington, DC 20402. Single copies may be obtained through the Publications Sales Branch, Room 1617, U. S. Department of Commerce, Washington, DC 20230. "Foreign Economic Trends--Austria" (FET 84-51) can also be purchased at the above addresses at a cost of $1.75 per single issue.

ICD Austria, affiliated with the ÖIAG (the state holding company administering the nationalized enterprises) is an excellent source of information for potential foreign investors. Contact them at ICD Austria, Attn. Dkfm. Otto DRACKA, Schellinggasse 7/2, A-1010 Vienna, Austria; telephone (222) 52-93-72; telex 132 047 oeiag.

Detailed information on U. S. government services offered to ex-

INSIDE INFORMATION

BUSINESS MANNERS IN AUSTRIA

Generally, Austrians are well disposed towards U.S. business people as long as the Americans observe simple courtesies. Although there is little difference between the business practices of Americans and Austrians, a few unwritten rules exist.

The preferred method of making business appointments in Austria is through written communication or a telephone call placed well in advance of the proposed meeting. An American business person should always offer to meet prospective buyers and distributors at a location convenient to the Austrians.

Timely processing of correspondence is important to Austrians. American businesses should answer all communications immediately, including cables and telexes, even when the reply is negative.

American businesses should generate written documents in German whenever possible, including trade literature, catalogs, and instructional and maintenance materials. Although most large businesses are able to communicate in English and French as well as in German, this courtesy promotes better relationships and increases the likelihood of sales.

In many instances, small orders lead to larger, more lucrative sales. Courteous, prompt attention to the Austrian client, both before and after the sale, could easily lead to greater business opportunities and larger orders.

Austrians prefer to establish a definitive channel of communication between themselves and the companies with which they do business. American businesses should clearly define their order procedures and provide a single point of contact to answer questions and give information.

Hard-sell techniques and excessive friendliness are normally counterproductive in Austria. While Austrians are not cold or standoffish, they are members of a more formal society where respect for titles and appropriate behavior are admired. —*Linda Newcomb*

porters and investors can be obtained from the Austrian Desk, Office of Country Marketing, ITA/IEP, Room 3049, U. S. Department of Commerce, Washington, DC 20230; telephone (202) 377-2897. Additional information on Austrian investment opportunities can be obtained from the Trade Opportunity Program of the U. S. Department of Commerce, Room 2014, International Trade Administration, Washington, DC 20230; telephone (202) 377-2665.

The Austrian government publishes detailed statistical information in German that may be obtained by requesting a document entitled "Statistische Nachrichten," (Statistical News), from Präsidialabteilung, Hinterz Zollamtsstrasse 2b, 1030 Wien, Österreich, telephone 6628 in Vienna. •

—Linda C. Newcomb

Linda Newcomb is a freelance writer who has lived and worked overseas.

PUBLICATIONS

What Drives Third World City Growth? by Allen C. Kelley and Jeffrey G. Williamson, 1984, Princeton, New Jersey: Princeton University Press, 273 pp., $40.00 cloth, $14.50 paper. Order from Princeton University Press, Princeton, NJ 08450.

Since the 1950s, the Third World's cities have grown explosively. Such dramatic population increases can only be understood by using a general equilibrium model, assert the authors. Estimated with data from 40 developing countries, and tested for the period from 1960 to 1973/74, their Computable General Equilibrium Model enables the authors to assess the impact of various economic and demographic factors on Third World city growth up to 1973.

The authors' eight-sector model of a developing economy is dynamic, and thus is capable of making predictions about the patterns of growth and structural change over time. Kelley and Williamson predict, for example, that most Third World urban transition will peak before the year 2000. They discuss the impact of the OPEC-induced fuel scarcity and other events on the city growth "slowdown" that began in the late 1970s, and using alternative scenarios and policy regimes, assess those factors that are likely to be most critical to Third World city growth over the next two decades.

Earlier studies by other analysts exaggerated the effects of rural land scarcity, foreign capital inflows, and population growth on Third World urbanization, the authors say. More critical, they contend, were the imbalances of productivity advance across sectors and the terms of trade between primary products and manufactures.

This book is a technical treatment of the economic development of Third World cities, and requires a thorough knowledge of the quantitative techniques of urban and economic analysis. An extensive index and bibliography are included.

The Caribbean Basin to the Year 2000: Demographic, Economic, and Resource-Use Trends in Seventeen Countries, by Norman A. Graham and Keith L. Edwards, 1984, Boulder, Colorado: Westview Press, 166 pp., $18.50 softcover. Order from Westview Press, 5500 Central Avenue, Boulder, CO 80301.

About 52 million people live in the 17 countries in the Caribbean Basin. By 2000, there will be 77 million people living there. Population growth rates in all the countries are expected to be at least 2.5 percent, with the most pressure on El Salvador, Guatemala, Haiti, Honduras, and Nicaragua.

This compact book co-authored by an economist and the manager of international studies at The Futures Group combines economic and demographic projections from The Futures Group with an analysis of what those projections mean for trade, investment, the use of natural resources, and stability in the Caribbean Basin.

"The combination of strong population growth pressures, weak economic performance, and in many

TIPS ON TRENDS

CONFERENCES

"Broadening the Uses of Research" will be the topic for the 38th Congress of the European Society for Opinion and Marketing Research in Wiesbaden, West Germany, September 1-5.

Speakers will address such topics as microcomputer software for marketing and marketing research, qualitative research in Europe, identifying opinion leaders, General Motors' corporate communications strategy in England, reasons for new product failure, corporate strategy research, international marketing research, and adapting research to wider geographical areas.

For more information and registration forms, contact E.S.O.M.A.R., J. J. Viottastraat 29, 1071 JP Amsterdam, The Netherlands; telephone (020) 64.21.41; telex 18535 ESMAR NL.

VACATIONS AND BONUSES

West German workers receive more benefits than they used to, according to an analysis published by the Institute of the German Economy in Düsseldorf. Wages negotiated for this year are an average of 3.3 percent higher than those of the previous year. Six million workers, about a third of those covered by collective bargaining, now have contracts providing for early retirement. Of every 1,000 workers, 910 now receive a Christmas bonus, compared with only 610 of 1,000 in 1974; 940 receive a vacation bonus, compared with 790 in 1974; and 580 per 1,000 are entitled to six weeks' vacation, compared with none ten years ago. These changes help make the Germans a good market for travel and tourism. •

cases, a limited and diminishing natural resource base, will increasingly constrain the governments in question from promoting increased economic development and relieving human misery," the authors say.

Political stability will also be affected. "Overcrowding in the major urban areas, unemployment, low and maldistributed income and arable land scarcity will contribute to political instability in the region. El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, and Nicaragua are the countries that appear most threatened. Increased pollution and political instability, in turn, will have a substantial impact on Caribbean Basin tourism — one of the key industries in the region," the authors conclude.

Reflections on Population, by Rafael M. Salas, 1984, New York: Pergamon Press, 237 pp., $30 hardcover. Order from Pergamon Press, Inc., Maxwell House, Fairview Park, Elmsford, NY 10523.

The executive director of the United Nations Fund for Population Activities, Rafael M. Salas, wrote this book to coincide with the 1984 International Conference on Population. It summarizes developments in demography in the last ten years and chronicles the changes in attitudes among governments about population growth.

Salas' own reports on the state of the world population for the years between 1980 and 1984 are reprinted in their entirety in the volume. A separate chapter sets out population concerns through the year 2000.

Population Distribution, Migration and Development, 1984, New York: United Nations, 505 pp. (Sales No. E.84.XIII.3). Order from United Nations, Sales Section, New York, NY 10017.

This volume contains the proceedings of a meeting held in March 1983 in Hammamet, Tunisia. The participants formed one of four expert groups commissioned by the UN's Economic and Social Council to examine critical, high-priority population issues in preparation for the 1984 International Conference on Population. An additional task of the experts' meeting was to confirm the validity of the 1974 World Population Plan of Action and to modify the Plan by adding specific statements about the problems of population distribution and migration.

For Part One of the volume, six experts prepared papers on the main items of the agenda: conceptual approaches to internal and international migration; migration and rural development; migration, urbanization and development in developing countries; migration, urbanization and development in developed countries; population distribution policies; and international migration, including a consideration of regular and irregular migration, the "brain drain", and refugees. A concluding chapter gives the experts' recommendations for actions on population distribution and internal migration, international migration, and the promotion of knowledge and policies.

Part Two, containing the background papers for the meeting, opens with an overview highlighting the issues in population distribution, migration and development and reviews recent developments in population redistribution. Chapter II deals with population distribution and internal migration, Chapter III with international migration, and Chapter IV with technical cooperation and assistance.

A useful contribution to the 1984 International Conference on Population, this book is also a valuable resource for those who are researching or making policies involving population distribution and migration.

Sub-Saharan Africa: Population Pressures on Development, by Thomas Goliber, 1985, Washington, D.C.: Population Reference Bureau, 1985, 46 pp., $4.00 plus $1.00 for postage and handling. Order from Population Reference Bureau, 2213 M Street N.W., Washington, DC 20037.

The population of sub-Saharan Africa's 42 nations, estimated by the United Nations at 434 million as of mid-1984, is likely to more than triple to 1.4 billion in the next 40 years. Annual growth is now about 3.1 percent—up from 2.5 percent in the 1960s—and rising. Birth rates are collectively the world's highest at an average of 48 per 1,000 population and show no signs of falling, while death rates

TIPS ON TRADE

A DIRECTORY FOR BUSINESS-TO-BUSINESS

A two-volume directory of multi-client studies on industrial markets in Europe and the Middle and Far East has been compiled by Industrial Aids Limited in London.

Each volume follows the same format. Part I lists market reports available for purchase. The European volume lists 2,000 reports, while the Middle and Far East volume lists 700. The reports cover industrial products (those sold by one company to another, consumer goods where these form markets for industrial products, and financial and economic studies relevant to industrial markets). Each listing includes the title, the name and address of the organization producing the report, the language in which it is available, the number of pages, and the cost.

Part II of each volume covers a range of information from six sources: international and national statistics, governmental and non-governmental organizations, the press, banks, companies, and libraries and similar centers.

There are market study entries on such subjects as food and drink; chemicals; machinery and equipment; pharmaceutical, medical, veterinary, and dental products; furniture and fittings; and printing, graphics, and ink.

The volumes are available for £35 each (which includes postage) from IAL-Industrial Aids Limited, 14 Buckingham Palace Road, London SW1W 0QP, England; telephone 01-828-5036; telex 918666 CRECON G. •

average 17 per 1,000 and are continuing to drop.

This population growth is a key factor in the food crisis that has the world's attention riveted on Africa, says Thomas Goliber. It is also braking the region's efforts to catch up with the demand for jobs, education, and health services, and to cope with exploding cities.

Goliber, an expert in Sub-Saharan African population trends, adds a hopeful note—that the climate for policies to reduce population growth as an aid to development is changing "perceptibly."

Though triggered by drought, Africa's food crisis has been brewing for two decades, Goliber observes. Per capita food production has declined since the 1960s, because of a combination of rapid population growth, land degradation, political upheavals, and government policies that gave short shrift to farmers. This in turn has contributed to a decline in per capita income in the 1980s, although the regional per capita GNP in 1983—$595—was still more than double the $260 regional average for Bangladesh, India, Nepal, Pakistan, and Sri Lanka, according to World Bank estimates.

Goliber believes the economic slowdown will slow the gains in school enrollment and life expectancy that African nations have registered since independence in the early 1960s, despite rapid population growth. Potentially the region's most explosive issue, Goliber argues, is the growing gap between the number of primary school graduates and the number of jobs available in the modern sector which such graduates came to expect during the colonial era.

Peoples of the Golden Triangle: Six Tribes in Thailand, by Paul and Elaine Lewis, 1984, London: Thames and Hudson, 297 pp., $29.95 hardcover. Order from Thames and Hudson, Inc., 500 Fifth Avenue, New York, NY 10110.

Once in a while a book comes along that is beautiful as well as useful. Paul and Elaine Lewis' book, with 712 illustrations in color, is one of those.

The cultures of six tribes — Karen, Hmong, Mien, Lahu, Akha, and Lisu — are described and illustrated in detail. Subjects covered for each tribe include clothing, ornaments, villages, village leaders, houses and households, courtship and marriage, birth, death, religion, sickness and treatment. A concluding chapter describes the changes that are taking place in the lives of these people as their villages modernize.

"ACCORDING TO KAREN TRADITION, WOMEN NOT RELATED TO THE WIFE OF A HOUSEHOLD MUST NOT LIVE THERE BECAUSE THEIR PRESENCE MIGHT CAUSE A CONFLICT OF SPIRITS."

The largest of the six tribes is the Karen, with about 246,000 people in mid-1983.

For example, most households in the Karen tribe are made up of a husband, wife, and their unmarried children. According to the Lewises this is "unlike other tribal households which usually have three generations."

According to Karen tradition, women not related to the wife of a household must not live there because their presence might cause a conflict of the spirits. Karen men do not take second wives and widowers do not remarry unless their children are grown and living away from home.

Signs of change are everywhere for the tribes of Thailand, the Lewises say. "Amidst this, however, there are signs of hope: some tribal children are getting an education; some tribal farmers are making irrigated rice fields; some families are accepting family planning help; some opium addicts are detoxifying; and some Government officials are helping the tribal people get needed citizenship papers."

Report on the Demographic Situation in Canada, 1983, by Jean Dumas, 1984, Ottawa: Statistics Canada, 123 pp., $8.85 in Canada, $10.60 elsewhere. Order no. 91-209E from Publications Sales and Services, Statistics Canada, Ottawa, K1A 0T6.

Like most industrialized countries, Canada has a slower population growth rate than the world as a whole. Still, its rate ranks among the highest in the Western hemisphere. Since the last census, rural population growth in Eastern Canada has exceeded urban growth, but population growth as a whole is still strongest in Western Canada. At one time, Alberta was drawing Canadians from every other province, including Ontario. But following the 1982 slowdown in the Alberta oil industry, that internal migration trend has begun to reverse itself, and the Atlantic provinces and Ontario are once again recording net migration gains.

Canada's population continues to age mainly as a result of the decline in fertility. As the number of marriages ending in divorce continues to rise, and the number of first marriages continues to decline, Canada's married population is dwindling. Life expectancy at birth has been increasing, largely due to a decrease in deaths from cardiovascular diseases.

These are just a few of the recent demographic trends that are discussed in this report from Statistics Canada, the first of the Current Demographic Analysis Series. Beginning with the demographic characteristics of the country as a whole, the volume continues on to profile Canada's urban and rural populations, its metropolitan areas, and the population of its provinces and territories. Other major sections in the book examine the changing age structure of the population, the internal and international migration pictures, the marriage and divorce scene, the declining fertility of women of all marital statuses, and the trends in mortality and life expectancy.

Each demographic development is put in a historical context ranging from 5 to 50 years before 1983. Replete with readable tables and charts, the report includes an easily understood glossary and makes use of light brown ink to highlight the most significant data. If you do business in Canada, you will want to order this clear and concise summary

of that country's current demographic situation.

The Anomaly of the Fertility Decline in India's Kerala State: A Field Investigation, by K. C. Zachariah, 1984, Washington D.C.: The World Bank, 197 pp. Order World Bank Staff Working Paper no. 700 from Publications Sales Unit, Department T, The World Bank, 1818 H Street, N.W., Washington, DC 20433.

During the ten years between 1968 and 1978 fertility in the Indian state of Kerala declined by more than 35 percent, despite the fact that the population of Kerala is very poor, with a per capita income less than $200. This report investigates why fertility declined so drastically under such unfavorable circumstances. According to the author, about 30 percent of the drop in fertility occurred because the age at marriage has increased, while about 70 percent is due to a decline in marital fertility. These demographic changes began with an improvement in health and education, but gathered momentum with the introduction of an official family planning program, as well as land reforms, wage reforms, and other redistributive policies of the state and national governments.

While the data of this case study are limited to the state of Kerala, Zachariah's analysis contains implications for policymaking in all of India, as well as in other developing nations of the world.

The Contemporary Soviet City, edited by Henry W. Morton and Robert C. Stuart, 1984, Armonk, New York: M. E. Sharpe, Inc., 262 pp., $30.00 hardcover, $14.95 paperback. Order from M. E. Sharpe, Inc., 80 Business Park Drive, Armonk, NY 10504.

The USSR has more big cities with more concentrated populations than any other large country. In what had been an overwhelmingly rural country, cities grew at a very rapid pace, often stimulated by government policy. Today, virtually all of the Soviet Union's economic, social, cultural, intellectual, and political life is centered in its urban areas, particularly in its few megalopolises. The majority of Soviet citizens live in cities and towns, in multifamily dwellings. In contrast, the majority of Americans live in suburbs, primarily in free-standing single-family homes.

This carefully integrated set of 11 essays provides insights into the contemporary Soviet urban experience. Part I gives an overview of the Soviet city and its sources of growth, while Part II surveys some negative aspects of urban areas in the USSR, describing the financing of Soviet cities, the reasons for the labor shortage, the crisis in the urban family, and the problem of crime. In Part III, the quality of urban services is discussed in four chapters on health, education, transportation, retail trade, and personal services. A concluding chapter examines the nature of citizens' contacts with government officials in Soviet cities.

With backgrounds in sociology, political science, urban planning, and economics, the volume's contributors have analyzed the contemporary Soviet city from the perspectives of their particular specialties. They based their analyses primarily on Soviet sources and visited the USSR to interview people and make on-the-spot observations of urban conditions. •

WHEN OUR READERS SPEAK, WE LISTEN

Dear Readers,

Earlier this year, we asked you to tell us how we are doing. About 25 percent of you responded, and some of you used words that give an editor warm and fuzzy feelings—things like "Superb," and "Great publication."

But you also shared with us some ideas for improvements and additional information that would be helpful to you. Since our aim has always been to be useful, we will make many of those changes in the coming year.

For example, you asked for income distribution and consumer expenditure data, worldwide consumer trend data, more health-related data, information on global direct marketing trends, retail spending trends, and data on discretionary income. We have access to some of this information and we will make a diligent search for sources for the rest of it.

You also suggested that we capsulize data so that you don't have to search through text to find it and that we provide more information about markets that is available from within a country. We will reformat the country profiles slightly and ask our profile writers to make an extra effort on in-country sources.

In addition, you asked for more of our impressions and comments on the implications of consumer trends within a region. We have asked our world-wide correspondents to provide us with more on-the-scene commentary that you may find useful. While we don't expect you to give away company secrets, we invite readers to share their insights into consumer trends in countries where they work. If you send us those insights, we will be glad to pass them along.

More than half our respondents never use our international research referral service. One person, however, said the research service is more important than the publication. Allow us once again to invite readers to call with questions. We can't always find the answers directly, but we usually can provide the names and telephone numbers of other resources who can. Sometimes we can tell you that the data you need aren't available anywhere.

In any case, feel free to call (607) 273-6343 between 9 a.m. and 5 p.m. eastern time and ask for Doris Walsh, Thomas Exter, or Diane Haggblom. •

Doris Walsh
Editor

REGIONS

AFRICA

SEYCHELLES

Seychelles, an archipelago in the Indian Ocean about 1,000 miles off the eastern coast of Africa, consists of about 116 islands, but it is the second smallest country in Africa. Its total area is 171 square miles.

Seychelles entertains almost as many tourists as it has residents. Based on a 1977 census, the Seychelles statistical office projects a 1985 population of 65,092 people. In 1983, 55,867 people visited Seychelles.

The population is growing less than 1 percent annually. Outmigration contributes significantly to the slow growth of the islands' population.

In 1983, 85 percent of visitors were on holiday and 68 percent came from Europe. West Germany, France, Switzerland, and Italy were the most important markets for Seychelles tourism. More than 5,000 tourists arrived in each of the months of January, February, July, October, and December.

The Statistics Division of the Seychelles government produces both weekly and monthly summaries of tourism data, monthly reports on retail prices, quarterly figures on external trade and production, and semiannual reports on population and vital statistics, and on employment and earnings.

Subscriptions range from R.1.50 to R.5.00 (rupees) plus airmail postage and can be ordered from Statistics Division, P.O. Box 206, Victoria, Mahe, Republic of Seychelles. The data in this report are from the Statistical Abstract, 1983, published in June 1984. It costs R.60.00 and is also available from the above address.

ASIA

HONG KONG

Population projections for Hong Kong have been revised and updated by the Census and Statistics Department which recently issued a revised edition of *Hong Kong Population—A 20-Year Projection*. The new projections incorporate revised migration assumptions and are based on mid-1983 statistics to take into account the actual number of births, deaths, and migrants since 1981. The standard method of population projection by components was used. According to the updated projections, Hong Kong's population will increase from 5.3 million in mid-1983 to 5.9 million in mid-1991 and 6.4 million in mid-2001.

JAPAN

Japanese 20-year-olds celebrated their coming-of-age at ceremonies held throughout the country on January 15. According to the Japanese Management and Coordination Agency, 1.7 million people turned 20 in the period between 16 January 1984 and 15 January 1985, an increase of about 70,000 over the previous year. The number of 20-year-olds hit a peak of about 2.4 million a year in 1969 and 1970, when those born during the first baby boom came of age. Thereafter, the number of those turning 20 each year continually fell, reaching 1.52 million in 1978. Today's 20-year-olds represent 1.4 percent of Japan's total population, the same percentage as in 1984.

CHINA

As more foreign manufacturers move into China, the expatriate market will become important there. Companies will increasingly want information on living costs to help them establish appropriate reimbursement guidelines for their employees who live in Beijing, Shanghai, and Guangzhou.

At least this is what Runzheimer International expects to happen. The international management consultants based in Rochester, Wisconsin have established a research network in the People's Republic to monitor current living conditions and record changes.

The most recent *Runzheimer International Letter* says that the typical expatriate living in Beijing is 35 years old, works in middle management for a multinational firm in manufacturing or services, earns an income equivalent to $50,000 a year, works and may be single or married, but is usually in Beijing without his family. According to Runzheimer, all foreign residents in Beijing must live in one of three districts: San Li Tun, Jian Guo Men Wai, or Qi Jia Yuan, unless special permission is obtained from the government. Most expatriates live in hotels.

Runzheimer will be collecting PRC data on multinationals with expatriates on an on-going basis. For more information, or to obtain a copy of

the free newsletter, write Living Cost Division, Runzheimer International, Runzheimer Park, Rochester, WI 53167 or telephone (414) 534-3121.

INDONESIA

Patterns of food consumption and other household expenditures in Indonesia are discussed in a recently-released working paper from the staff of The World Bank. The report is an analysis of a 1978 National Socioeconomic Survey. While the main intent of the paper is to identify population groups with nutrient deficiencies, it provides a valuable guide to the way people spend their money.

In 1978, households nationwide spent 68 percent of their budget on food, 12 percent on housing and fuel, 5 percent on clothing and footwear, nearly 5 percent on tobacco and alcohol, 4 percent on goods and services, 3 percent on parties and ceremonies, 2 percent on durable goods, and about 1 percent each on schooling, health, and taxes and insurance.

The table shows differences in expenditure by region.

SOUTH KOREA

A census in Seoul last October counted 9.5 million people, or 23 percent of the total population of South Korea. While Seoul's population increased by 3.2 percent between 1983 and 1984, the national population grew by only 1.6 percent. The population is expected to reach 10 million this year, according to a report in *Asia Research Bulletin*.

Seoul's population density is the sixth highest in the world. The city continues to attract migrants. About two-thirds of those who moved to Seoul were hoping for better jobs and about one-seventh were students who wanted better educational opportunities.

Seoul's population is aging slightly, according to the report. The population aged 60 and over grew from 3.7 percent in 1975 to 4.7 percent last year, while the population under age 13 declined from 31 percent to 27 percent.

DISTRIBUTION OF MAJOR HOUSEHOLD EXPENDITURES IN INDONESIA AND REGIONS: 1978

(in percent)

	food	*alcohol & tobacco*	*housing & fuel*	*clothing & footwear*	*goods & services*	*school*	*health*	*durable goods*	*taxes & insurance*	*parties & ceremonies*	*total expenditures*
Indonesia total	68%	5%	12%	5%	4%	1%	1%	2%	1%	3%	100%
DKI Jakarta	51	5	22	5	13	3	2	2	1	1	100
West Java	71	4	13	5	4	1	1	2	1	1	100
Central Java	66	4	13	5	5	1	1	2	2	4	100
DI Yogyakarta	59	4	13	7	9	3	2	3	1	5	100
East Java	65	5	14	5	4	1	1	2	1	5	100
Sumatra	70	6	10	6	4	1	1	2	1	1	100
Bali & Nusatenggara	73	4	10	5	3	1	1	1	1	3	100
Kalimantan	73	6	10	5	3	1	1	2	1	1	100
Sulawesi	73	4	9	6	3	1	1	2	2	1	100
Maluku & Irian Jaya	67	5	12	7	6	2	1	2	1	1	100

* Sum of percents may not equal 100 due to rounding.
Source: SUSENAS 1978 data tapes, Biro Pusat Statistik, Jakarta as tabulated in "Patterns of Food Consumption and Nutrition in Indonesia," World Bank Working Papers, No. 670, 1984.

EUROPE

EUROPE

In most countries, it is possible to find out the average hourly wage paid to a worker, but much more difficult to determine how much disposable income the worker has.

The Organization for Economic Cooperation and Development provides economic analysis for its 24 member countries. An article in the March 1985 *OECD Observer* compared the tax burden of typical manufacturing workers in those countries. The comparisons show the percentage of gross earnings after taxes and social security contributions that are take-home pay for a person working in manufacturing who is the sole earner in a household containing two children. As the proportion of women working rises in Europe, it would be useful to see the same information for two-earner households at some future date.

Japan has the highest proportion of take-home pay after taxes. A typical Japanese worker takes home 92 percent of his gross earnings after taxes. The United States is on a par with New Zealand and Austria when it comes to the tax burden of the average manufacturing worker. Northern European countries—Sweden, Germany, Finland, Denmark, the United Kingdom, and the Netherlands—have the highest tax burdens.

But are wages the family's entire income? Not in the case of West Germany, for example. The Berlin-based Institute for Economic Research reported in April that wage and salary checks, together with self-employment income, make up only about 65 percent of disposable household income. Gross 1983 wages and salaries amounted to DM 742.3 billion, but disposable income totaled more than 1 trillion marks, the Institute said. Making up the DM 326.7 billion difference are in-

TAKE-HOME PAY AS PERCENT OF GROSS EARNINGS: 1983

(manufacturing worker, sole earner, two children)

Denmark	61.4%
Netherlands	62.0
Sweden	66.6
Germany	72.8
United Kingdom	72.9
Finland	73.6
Norway	75.2
Belgium	76.7
Ireland	77.5
United States	78.1
New Zealand	78.3
Austria	78.3
Italy	80.1
Portugal	83.0
Australia	83.3
Switzerland	83.8
Luxembourg	85.1
France	85.3
Spain	86.0
Greece	86.7
Canada	87.6
Japan	92.0

Source: The OECD Observer, March 1985, No. 133.

come from interest, dividends, investments, and services; private transfers between households (child support, alimony, aid to parents), claims paid by insurance companies, social security, scholarships, unemployment compensation, relief payments, and other government disbursements, many of which are reflected in the relatively high rates of taxation in that country.

The list on page 11 ranks the countries by tax burden from those with the most to those with the least.

ROMANIA

Romania is one of the few countries urging its citizens to have more children. The population of Romania is now 22.8 million. Romania's aim is to have 25 million people by 1990 and 30 million by the end of the century. According to a report in the UNFPA Newsletter, *Population*, the Romanian government has banned contraceptives and abortions, and has introduced a variety of incentives to encourage marriage and childbearing.

WEST GERMANY

The number of cohabiting couples in West Germany quadrupled between 1972 and 1982, according to a study by the Emnid Institute for the Bonn Ministry of Family, Youth and Health. There are now about 1 million cohabiting couples in the country. The percentage of unmarried couples among older age groups has declined, the Institute reported, while many of today's younger pairs without children view cohabitation as a preliminary step to marriage. Only 8 percent of the cohabiting couples said they were against marriage, whereas one-third wanted to marry eventually. The desire for children was cited as the most important reason for formalizing the relationship.

ASIA PACIFIC

NEW ZEALAND

New Zealand has completed testing its census questions for 1986. The census is proposed for March next year. Questions on age, marital status, living arrangements, ethnic group, income, dwelling type, and unpaid household work were tested.

AUSTRALIA

The 1985 Catalog of Publications is now available from the Australian Bureau of Statistics. The catalog contains a subject index which leads to such useable data as the characteristics of people who use different kinds of health services, the ownership of bicycles, the production of apple juice, as well as a complete guide to published demographic data. The catalog (No. 1101.0) is available from Australian Bureau of Statistics, P.O. Box 10, Belconnen A.C.T. 2616, Australia; telephone 062-52-6627.

MIDDLE EAST

UNITED ARAB EMIRATES

In 1984 in UAE there were 25,533 births to expatriates and 18,462 births to nationals, for a total of 43,995 births registered during the year, according to a report from the Preventive Medicine Department at the Health Ministry in Dubai. •

COMING UP

Botswana is a poor country, but one of the best-organized in Africa. Its leaders have made a commitment to provide education and health care to all by the year 2000.

U.S. firms are using focus groups in foreign countries, not to supplement research but to replace primary research. Is it a good idea. An international market researcher gives *International Demographics* her comments on focus group research abroad. •

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